MOJAVE WATER AGENCY WATER BANKING POLICY

Adopted by Board of Directors December 14, 2006

<u>Purpose.</u> It is the intent of the Mojave Water Agency to utilize this policy to guide the Agency in determining where water will be "banked" (as defined below).

- The Agency defines "water banking" as the purchase of imported State Water Project water for storage in the various ground water basins within the MWA for future use. This water is in excess to the annual water demand that the Agency is/will be required to meet under the various current and future water supply obligations of the Agency.
- 2. Water supply obligations of the Agency currently include:
 - Entitlement transfers to the Antelope Valley-East Kern Water Agency for delivery to an existing customer within the MWA
 - Replacement Water and Makeup Water Obligations under the Judgment for the Mojave Basin Area (Riverside County Superior Court Case No. 208568)
 - Ordinance No. 9 annual water sales
 - Water sales under the "Agreement for Construction, Operation and Financing of the Morongo Basin Pipeline Project"
- 3. The MWA has established a fund to purchase water for storage within the groundwater basins within the Agency.
 - The funds available will be used when favorable water availability, system capacity and fiscal circumstances indicate that it will be advantageous to purchase water for storage in the ground water basins within the MWA
 - MWA staff will seek approval from the Board of Directors prior to making purchases under this Policy.
- 4. When recommending purchases and banking locations to the Board, staff will consider the potential for the banked water to be purchased from the Agency in the future and the needs of the area where water is proposed to be banked.
- 5. Banking targets (maximums) have been established for each ground water basin where banking may occur under this Policy to assist determination of where available water will be banked. The targets are generally based upon the calculation of three times the non-agricultural water demand (production) within the Subarea. The targets are as follows:
 - Alto Subarea 261,000 acre-feet
 - Centro Subarea 33,000 acre-feet
 - Baja Subarea 31,000 acre-feet
 - Este Subarea 5,000 acre-feet
 - Oeste Subarea 6,000 acre-feet
 - Morongo Basin 21,000 acre-feet
- 6. The MWA will update the targets in this Policy every 3 years, or sooner if circumstances warrant (significant changes to demand patterns, availability of new delivery capability, changes to local hydrology, etc.).